

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY,  
LOS ANGELES  
(a Component Unit of  
California State University, Los Angeles)**

Independent Auditor's Report,  
Financial Statements and Supplementary Information

June 30, 2018 and 2017



Certified  
Public  
Accountants



**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES  
(a Component Unit of California State University, Los Angeles)**

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## **Independent Auditor's Report**

To the Board of Directors  
University-Student Union at  
California State University, Los Angeles  
Los Angeles, California

We have audited the accompanying financial statements of the University-Student Union at California State University, Los Angeles (the Union), a component unit of California State University, Los Angeles, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University-Student Union at California State University, Los Angeles, as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements. The accompanying supplementary information on pages 23 to 35 are presented for purposes of additional analysis in accordance with an Administrative Directive dated June 24, 2003, *Financial Reporting Requirements for Auxiliary Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Los Angeles, California  
September 27, 2018

## **FINANCIAL STATEMENTS**

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**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Statements of Financial Position  
June 30, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Cash	\$ 489,704	\$ 332,048
Investments	3,686,136	3,018,086
Accounts receivable from affiliates, net	79,346	58,309
Accounts receivable	30	494
Notes receivable	144,400	182,800
Prepaid expenses and deposits	33,486	26,467
Capital assets, net	116,758	100,332
Net post-retirement benefit asset	455,094	-
<b>Total assets</b>	<b>\$ 5,004,954</b>	<b>\$ 3,718,536</b>
<b>Liabilities and net assets</b>		
Accounts payable to affiliates	\$ 30,018	\$ 88,767
Accounts payable	145,560	62,042
Accrued liabilities	202,991	190,734
Unearned revenue	153,376	153,583
Net post-retirement benefit obligation	-	31,833
<b>Total liabilities</b>	<b>531,945</b>	<b>526,959</b>
<b>Net assets</b>		
Unrestricted	4,473,009	3,191,577
<b>Total net assets</b>	<b>4,473,009</b>	<b>3,191,577</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,004,954</b>	<b>\$ 3,718,536</b>

See accompanying notes to financial statements.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Statements of Activities  
Years Ended June 30, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Support and revenues</b>		
Student fees	\$ 5,205,078	\$ 4,807,961
Donated use of facilities	77,425	73,958
University support	235,344	335,344
Interest income	38,050	14,087
Rental income	203,764	174,301
Event income	42,790	26,233
Other	218,292	138,662
<b>Total support and revenues</b>	<b>6,020,743</b>	<b>5,570,546</b>
<b>Expenses</b>		
Program services:		
Student programs	2,947,112	3,086,193
Total program services	<b>2,947,112</b>	<b>3,086,193</b>
Supporting services:		
Institutional support	601,960	508,444
Building operations	1,165,666	1,019,102
Total supporting services	<b>1,767,626</b>	<b>1,527,546</b>
<b>Total expenses</b>	<b>4,714,738</b>	<b>4,613,739</b>
Amortization of prior service cost	24,573	24,573
Change in net assets	1,281,432	932,234
<b>Net assets</b>		
Beginning of year	3,191,577	2,259,343
End of year	<b>\$ 4,473,009</b>	<b>\$ 3,191,577</b>

See accompanying notes to financial statements.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

Statements of Cash Flows  
Years Ended June 30, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,281,432	\$ 932,234
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	26,715	47,304
Change in operating assets and liabilities:		
Accounts receivable from affiliates	(21,037)	(36,859)
Accounts receivable	464	14,606
Prepaid expenses and deposits	(7,019)	9,632
Accounts payable to affiliates	(58,749)	44,986
Accounts payable	83,518	19,748
Accrued liabilities	12,257	1,863
Unearned revenue	(207)	(76,197)
Post-retirement benefit obligation	(486,927)	(482,706)
Net cash provided by operating activities	<u>830,447</u>	<u>474,611</u>
<b>Cash flows from investing activities</b>		
Proceeds from sales of investments	4,370,000	3,934,000
Purchase of investments	(5,038,050)	(4,314,087)
Principal payments on notes receivable	38,400	53,766
Acquisition of capital assets	(43,141)	(100,666)
Net cash used in investing activities	<u>(672,791)</u>	<u>(426,987)</u>
<b>Net increase in cash</b>	157,656	47,624
Cash at beginning of year	<u>332,048</u>	<u>284,424</u>
Cash at end of year	<u><u>\$ 489,704</u></u>	<u><u>\$ 332,048</u></u>

See accompanying notes to financial statements.

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**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements  
June 30, 2018 and 2017

**NOTE 1 – ORGANIZATION**

The University-Student Union at California State University, Los Angeles (a California State University Auxiliary Organization) (the Union), is a nonprofit auxiliary organization of California State University, Los Angeles (the University). The Union operates the Student Union building, as well as sponsors various campus activities that complement the instructional and recreational programs and initiatives of the University.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting.

**Financial Statement Presentation**

The Financial Accounting Standards Board (FASB) implemented the FASB Accounting Standards Codification (Codification) effective July 1, 2009. The codification has become the source of authoritative accounting principles generally accepted in the United States of America (U.S. GAAP) recognized by FASB to be applied to nongovernmental entities. On the effective date, the Codification superseded all then existing accounting and reporting standards. All other non-grand-fathered accounting literature not included in the Codification has become non-authoritative. References to U.S. GAAP included in the FASB Codification are noted as Accounting Standards Codification (ASC).

**Basis of Presentation**

The Union reports information regarding its financial position and activities according to the three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

- Unrestricted net assets generally results from revenue generated by receiving unrestricted contributions and student fees, providing services, and receiving interest from investment less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.
- Temporarily restricted net assets include gifts, pledges, trusts, remainder interests, and income and gains which can be expended, but for which restrictions have not yet been met. Such restrictions include donor imposed restrictions that have specified the purpose for which the net assets are spent, or time restrictions imposed by donors or implied by the nature of the gift. The Union has no temporarily restricted net assets as of June 30, 2018 and 2017.
- Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the Union. Generally, the donors of these assets permit the Union to use all or part of the income earned on any related investments for general or specific purposes. The Union has no permanently restricted net assets as of June 30, 2018 and 2017.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash**

The Union maintains its cash in a checking account, along with the cash collected from and designated for use by the student organizations of the University, and petty cash.

**Accounts Receivable**

Accounts receivable, including accounts receivable from affiliates, are stated at the amount management expects to collect from outstanding balances, which approximates fair value. Management provides for probable uncollectible amounts through a charge to bad debt and a credit to an allowance account based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. At June 30, 2018 and 2017, allowance for doubtful accounts were \$0 and \$63, respectively, and were all related to accounts receivable from affiliates.

**Investments**

The Union maintains an investment with the State of California-Local Agency Investment Fund (LAIF) and reports the balance at fair value. The fair value of the investment may differ from the deposits with the difference representing the unrealized gains or losses. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law. At June 30, 2018 and 2017, the Union received interest income in the amount of \$38,050 and \$14,087, respectively.

**Capital Assets**

Capital assets are stated at cost or estimated fair value at the date of gift if donated, net of accumulated depreciation. The Union capitalizes capital expenses in excess of \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to ten years.

**Post-Retirement Benefit Plan**

The Union implemented ASC Topic 715, *Employers' Accounting for Defined Benefit Pension and Other Post-Retirement Plans*, in connection with the post-retirement benefit plan. The topic requires organizations to recognize the funded status of a benefit plan, measured as the difference between plan assets at fair value and the benefit obligation, in the statement of financial position, with an offsetting charge or credit to net assets. Gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net period benefit cost will be recognized each year as a separate charge or credit to net assets.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Student Fees**

Student fees are collected by the University and used to cover established University expenses. A portion is also remitted to the Chancellor's Office of California State University to cover principal and interest payments for the Systemwide Revenue Bonds used for the renovation and replacement of the University's Student Union Building. Subject to certain limitations, student fees in excess of such requirements, or surplus revenue, are provided to the Union and used to fund its operations.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities of the Union have been summarized on a functional basis in the statements of activities and categorized as program and supporting services. Program services represent costs that benefit various student programs. Supporting services represent general and administrative costs, and are classified as institutional support and building operations. In addition, certain costs have been allocated among the programs and services benefited.

**Tax Status**

The Union is exempt from income taxes under 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. However, the Union remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

Management has considered its tax positions and believes that all of the positions taken by the Union in their federal and state exempt organization tax returns are more likely than not to be sustained upon examinations. As of June 30, 2018, the Union's returns are subject to examination by federal taxing authorities for years 2018, 2017, and 2016, and by state taxing authorities for the years 2018, 2017, 2016, and 2015.

**Donated Use of Facilities**

The Union records donated use of facilities from an affiliated organization. The donated use of facilities is recorded at fair value. For the years ended June 30, 2018 and 2017, the Union recorded \$77,425 and \$73,958, respectively, as donated use of facilities and expense.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

Notes to Financial Statements (Continued)

June 30, 2018 and 2017

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Student Organization Activities**

Per California State University Administrative Policy 3141.01, the Union is obligated to administer student organization funds. Collections and disbursements relating to the student organizations are respectively recorded as revenues and expenses to the Union. For the years ended June 30, 2018 and 2017, the changes in net assets attributable to collections and disbursements of student organization funds that are included in the accompanying Statements of Activities are as follows:

	2018	2017
Revenues	\$ 154,093	\$ 65,272
Expenses	93,163	-
Changes in Net Assets	<u>\$ 60,930</u>	<u>\$ 65,272</u>

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 3 – CASH**

Cash is composed of the following at June 30:

	2018	2017
Cash on hand	\$ 2,650	\$ 2,650
Cash in bank	361,856	264,126
Cash in bank designated for student organizations	<u>125,198</u>	<u>65,272</u>
Total cash	<u>\$ 489,704</u>	<u>\$ 332,048</u>

The Union's cash deposits are considered public funds from a public unit, as defined by the Federal Deposit Insurance Corporation (FDIC), and are contractually insured and collateralized in accordance with California Government Code requirements to secure its deposits by pledging government securities as collateral. The market value of pledged securities is equal to 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits. Collateral is considered to be held in the name of the Union. At June 30, 2018 and 2017, the bank balances for the Union of \$675,504 and \$461,084, respectively, were entirely insured and collateralized as described above.



**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 4 – FAIR VALUE MEASUREMENTS**

The Union follows ASC Topic 820, *Fair Value Measurement and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). Investments in an external government investment pool are not subject to reporting within the level hierarchy.

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Union has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The following presents investments that are measured at fair value on a recurring basis at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Local Agency Investment Fund (LAIF)	<u>\$ 3,686,136</u>	<u>\$ 3,018,086</u>

**NOTE 5 – CAPITAL ASSETS**

Capital assets, net consist of the following at June 30:

	<u>2018</u>	<u>2017</u>
Audio visual equipment	\$ 231,271	\$ 188,130
Computer equipment	35,447	35,447
Office equipment	15,759	15,759
Operating equipment	32,588	32,588
Equipment	68,078	68,078
Vehicles	11,427	11,427
Total capital assets	394,570	351,429
Less: accumulated depreciation	<u>(277,812)</u>	<u>(251,097)</u>
Total capital assets, net	<u>\$ 116,758</u>	<u>\$ 100,332</u>

Depreciation expense for the fiscal years ended June 30, 2018 and 2017 were \$26,715 and \$47,304, respectively.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 6 – NOTES RECEIVABLE**

In June 2008, the Union advanced California State University, Los Angeles, University Auxiliary Services, Inc. (UAS), an affiliated organization, \$172,000 for furniture and equipment and \$318,000 for tenant improvements in the University-Student Union Building. Under the terms of the advance, UAS must repay the Union a non-interest bearing annual payment of \$17,200 beginning September 1, 2009 through September 1, 2018, and \$21,200 beginning September 1, 2009 through March 30, 2023, respectively. The notes receivable balance at June 30, 2018 and 2017 is \$144,400 and \$182,800, respectively.

On August 1, 2008, the Union entered into an agreement with the Associated Students of California State University, Los Angeles, Inc. (ASI), an affiliated organization, to purchase office furniture on behalf of ASI. ASI agreed to pay the Union \$150,000 for the purchase of the office furniture through non-interest bearing annual payments of \$15,000, beginning October 31, 2008. On August 20, 2009, the Union amended the terms of the agreement with ASI. ASI agreed to pay annual payments of \$15,366 through 2018.

The Union received an additional payment of \$15,366 in fiscal year 2014, accelerating the final annual payment of the note to be made in 2017.

The notes receivables are scheduled to be received as follows:

	<u><b>June 30</b></u>
2019	\$ 38,400
2020	21,200
2021	21,200
2022	21,200
2023	<u>42,400</u>
Total	<u><u>\$ 144,400</u></u>

**NOTE 7 – UNEARNED REVENUE**

The California State University, Los Angeles Alumni Association (the Alumni Association), an affiliated organization, entered into a noncancelable lease agreement with the Union for office space in the University-Student Union Building. The agreement requires 20 annual payments from the inception of the lease through the year 2027. The Union recognizes the rental income on a straight line basis over the 30-year lease term, resulting in unearned revenue of \$153,376 and \$141,578 at June 30, 2018 and 2017, respectively. In fiscal year 2017, the Union received other unearned revenue of \$12,005, which was recognized as revenue in fiscal year 2018. The total balance of unearned revenue at June 30, 2018 and 2017 is \$153,376 and \$153,583, respectively.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 8 – COMMITMENTS**

**Revenue Bonds**

Since December 1996, a series of Systemwide Revenue Bonds were issued by the Trustees of the California State University and Colleges (the Trustees) for the renovation and replacement of the University's Student Union Building. Legal title to the University's Student Union Building is vested, along with the related debt, with the Trustees. While both the building and debt are carried on the books of the Trustees and are excluded from the Union's financial statements, the Union receives only a portion of student fees from the University after the necessary debt service requirements for these revenue bonds, along with other University expenses, are met.

**Excess of Student Fees**

The Union has entered into an agreement with the Office of the Chancellor of the California State University that expires on June 30, 2020, and provides, among other things, that the excess of the student fees collected by the University (after satisfying certain reserve requirements and servicing the principal and interest payments on the revenue bonds) is available for payment of expenses incurred in the operation of the Union.

Pursuant to this agreement, the Union received from the University approximately \$5,200,000 for fiscal year 2018 and approximately \$4,800,000 for fiscal year 2017 to fund its operation, respectively.

**NOTE 9 – LEASE ARRANGEMENTS AS A LESSOR**

The Union leases out space of the University-Student Union Building to various affiliated organizations and third-party tenants under noncancelable operating subleases expiring through August 2038. The following is a summary of minimum future rental income under these noncancelable leases:

Year Ended June 30,	Affiliates	Third-party	Total
2019	\$ 73,016	\$ 26,251	\$ 99,267
2020	133,595	-	133,595
2021	133,595	-	133,595
2022	133,595	-	133,595
2023	112,924	-	112,924
Thereafter	353,940	-	353,940
	<u>\$ 940,665</u>	<u>\$ 26,251</u>	<u>\$ 966,916</u>

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 10 – PENSION PLAN**

The Union provides pension benefits through the Teachers Insurance and Annuity Association - College Retirement Equities Fund (the Pension Plan), a defined contribution plan, to all eligible employees (as defined by the Pension Plan agreement). The Pension Plan consists of two parts. Part one consists of contributions made by the Union of 7% of the employee's compensation and part two includes contributions from both the employer and employee under the provisions of Section 403(b) of the Internal Revenue Code. Contributions from the Union for the 7% contribution become vested on a five-year graded scale, with 100% vesting occurring after five years. Under part two of the Pension Plan, the Union will match contributions up to a maximum of 5% of an employee's compensation. Contributions from employees and the Union's matching contributions are fully vested. The Union's total pension expense for the years ending June 30, 2018 and 2017 were \$146,363. and \$121,266, respectively, and is included on the accompanying statements of activities. The Union's policy is to fund pension costs as incurred.

**NOTE 11 – POST-RETIREMENT BENEFIT PLAN**

The Union sponsors a defined benefit postretirement plan (the DB Plan) that provides lifetime postretirement medical and dental coverage to employees who retire at age 55 or older with at least 10 years of service.

The Union intends to contribute the maximum monthly health premium administered by the CalPERS medical program. The Union's plan assets are valued at \$2,234,776 and \$2,097,708 for the years ended June 30, 2018 and 2017, respectively.

Changes in Benefit Obligation:

The following tables provide a reconciliation of the DB Plan's benefit obligations and a statement of the funded status as of June 30:

	<u>2018</u>	<u>2017</u>
Benefit obligation at beginning of year	\$ 2,129,541	\$ 2,234,569
Service cost	155,855	162,757
Interest cost	83,643	84,488
Actuarial gain	(576,190)	(341,507)
Benefits paid	<u>(13,167)</u>	<u>(10,766)</u>
Benefit obligation at end of year	<u>1,779,682</u>	<u>2,129,541</u>
Funded status at end of year	<u>\$ 455,094</u>	<u>\$ (31,833)</u>
Measurement date	June 30, 2018	June 30, 2017

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 11 – POST-RETIREMENT BENEFIT PLAN (Continued)**

Changes in Plan Net Assets:

	<u><b>2018</b></u>	<u><b>2017</b></u>
Fair value of plan assets at beginning of year	\$ 2,097,708	\$ 1,720,030
Actual return on plan assets	137,068	177,678
Employer contributions	13,167	210,766
Benefits paid	<u>(13,167)</u>	<u>(10,766)</u>
Fair value of plan assets at end of year	<u><u>\$ 2,234,776</u></u>	<u><u>\$ 2,097,708</u></u>

Amount recognized in the statements of financial position consists of:

	<u><b>2018</b></u>	<u><b>2017</b></u>
Post-retirement benefit asset	<u>\$ 455,094</u>	<u>\$ -</u>
Post-retirement benefit obligation	<u>\$ -</u>	<u>\$ 31,833</u>

Amount recognized in changes in unrestricted net assets consists of:

	<u><b>2018</b></u>	<u><b>2017</b></u>
Unamortized prior service cost	<u>\$ 216,575</u>	<u>\$ 241,148</u>

Components of Net Periodic Benefit Cost and Other Amounts:

The following table provides the components of the net periodic benefit cost and other amounts for the years ended June 30, for the plan:

	<u><b>2018</b></u>	<u><b>2017</b></u>
Service cost	\$ 155,855	\$ 162,757
Interest cost	83,643	84,488
Expected return on plan assets	(125,856)	(103,202)
Amortization of prior service cost	24,573	24,573
Amortization of net loss	<u>-</u>	<u>19,878</u>
Net periodic benefit cost	<u><u>\$ 138,215</u></u>	<u><u>\$ 188,494</u></u>

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 11 – POST-RETIREMENT BENEFIT PLAN (Continued)**

Other Changes in Plan Assets and Benefit Obligations Recognized in Changes in Net Assets:

	<u>2018</u>	<u>2017</u>
Prior service cost	\$ 241,148	\$ 265,721
Amortization of prior service cost	<u>(24,573)</u>	<u>(24,573)</u>
Unamortized prior service cost	<u>\$ 216,575</u>	<u>\$ 241,148</u>

The estimated prior service cost for the post-retirement benefit plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year is \$24,573.

Assumptions:

Weighted-average assumptions used to determine benefit obligations and net periodic benefit cost at June 30:

	<u>2018</u>	<u>2017</u>
Discount rate	4.15%	3.94%
Long-term rate of return on plan assets	6.00%	6.00%

Assumed health care cost trend at June 30:

Net periodic benefit cost:

Health care cost trend rate assumed for next year		
Pre-65	7.70%	5.50%
Post-65	5.45%	5.50%
Rate to which the cost trend is assumed to decline (the ultimate trend)	4.50%	4.50%
Year that the rate reached the ultimate trend rate	2033	2021

Accumulated post-retirement benefit obligation:

Healthcare cost trend rate assumed for next year		
Pre-65	7.70%	5.50%
Post-65	5.45%	5.50%
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	4.50%	4.50%
Year that the rate reached the ultimate trend rate	2033	2021

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 11 – POST-RETIREMENT BENEFIT PLAN (Continued)**

Estimated Future Benefit Payments

The following are the benefits expected to be paid, not taking into account the future cost of living adjustments:

<u>Year Ending June 30,</u>		
2019	\$	22,815
2020		25,738
2021		19,536
2022		23,422
2023		28,442
Thereafter		<u>296,917</u>
Total	\$	<u><u>416,870</u></u>

**NOTE 12 – RELATED PARTY TRANSACTIONS**

ASI, an affiliated organization, subleases 2,835 square feet at the southeast corner of the second floor of the University-Student Union Building. Payment is based on the calculation of \$0.42 per square foot for custodial services and \$0.24 per square foot for utilities services. Total payments under the agreement were \$22,453 for each of the years ended June 30, 2018 and 2017, respectively. The Union waived the normal square foot rate for the second floor space. For the years ended June 30, 2018 and 2017, the Union recorded \$68,380 and \$65,318 respectively, as donated use of facilities and expense on the accompanying statements of activities.

The College of Professional and Global Education (PaGE), an affiliated organization, subleases 870 square feet in the first floor of the University-Student Union Building. Payment is based on the calculation of \$1.80 per square foot for occupied space of the first floor, adjusted annually to coincide with the existing General Service Administration rate, and \$0.42 per square foot for custodial services. PaGE took occupancy in March 2012 and the total payment for each of the years ended June 30, 2018 and 2017 were \$23,177. Future minimum payments to be received under the sublease agreement are \$25,056 for the year ended June 30, 2019.

ASI reimburses the Union for certain events. For the years ended June 30, 2018 and 2017, these reimbursements were \$10,091 and \$10,099, respectively.

The Union is responsible for employing personnel to perform the administrative duties for ASI. ASI reimburses the Union for wages paid and benefits paid along with an administrative fee. Total administrative fees received were \$5,200 and \$5,070 for the years ended June 30, 2018 and 2017, respectively.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 12 – RELATED PARTY TRANSACTIONS (Continued)**

Accounting and financial services for the Union are provided under a contract-for-services agreement with the University, which expires in June 2020 and requires annual payments of \$72,640. Payments under the agreement were \$72,640 for each of the years ended June 30, 2018 and 2017.

Advisement and program coordination were provided to the University under a contractual agreement at an agreed-upon fee of \$16,650 per month. An amendment was executed in 2015 and the payment under the amended agreement was \$6,250 per month. The Union received \$75,000 for each of the years ended June 30, 2018 and 2017, which is included in University support in the statements of activities.

Human resource management services for the Union are provided under a contract-for-services agreement with the University. The original agreement expired in June 2014 and required total annual payments of \$5,000. An amendment was executed in 2014 and the payments under the amended agreement were \$7,000 for each of the years ended June 30, 2018 and 2017.

Systems support services were also provided by the University at an agreed-upon fee of \$28,996 for each of the years ended June 30, 2018 and 2017. This agreement expires in June 2020.

Collection of student union fees was provided by the University under a renewable, contractual agreement which expires in June 2020. Payment is 0.75% of the student union fees collected. Total fees were \$56,124 and \$55,539 for the years ended June 30, 2018 and 2017, respectively.

Administrative and program developing services of the Student Resource Center for the University were provided by the Union under a contractual agreement at an agreed-upon fee of \$115,438 for each of the years ended June 30, 2018 and 2017, which is included in University support in the statements of activities. The contract is renewed automatically on an annual basis unless terminated as provided in the agreement.

The Alumni Association, an affiliated organization, subleases space from the Union. The subleased space consists of 1,710 square feet of usable space on the first floor of the University-Student Union Building. Payment was based on the calculation of \$0.24 per square foot for utilities services. Subleased payments received for each of the years ended June 30, 2018 and 2017 were \$35,395, and future minimum payments to be received under the sublease agreement are \$35,395 for each of the years ended June 30, 2018 to 2027. Total payment under the agreement for utilities services was \$4,925 for the year ended June 30, 2018 and 2017. In November 2015, the Union entered an agreement with the Alumni Association to include custodial service. Payment was based on \$0.42 per square foot for custodial services. Total payment under the agreement for custodial services was \$8,618 for each of the years ended June 30, 2018 and 2017.

Payroll services for the California State University, Los Angeles Foundation (the Foundation) were provided by the Union. Total fees were \$4,680 and \$4,750 for the years ended June 30, 2018 and 2017, respectively.



**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 12 – RELATED PARTY TRANSACTIONS (Continued)**

The Foundation subleases space from the Union. The subleased space consists of 375 square feet of usable space on the first floor of the University-Student Union Building. Payment was based on the calculation of \$2.01 per square foot for occupied space and \$0.42 per square foot for custodial services. In March 2010, the Union revised the agreement to waive the normal square footage rate and payment was also based on the calculation of \$0.24 per square foot for utility services. For the years ended June 30, 2018 and 2017, the Union recorded \$9,045 and \$8,640, respectively, as donated use of facilities and expense on the accompanying statements of activities. Payments received during each of the years ended June 30, 2018 and 2017 for utility services were \$1,080. In November 2015, the Union entered an agreement with the Foundation to include custodial service. Payment was based on the \$0.42 per square foot for custodial services. Total payment under the agreement for custodial services was \$1,890 for each of the years ended June 30, 2018 and 2017.

UAS, an affiliated organization, subleases space from the Union. The subleased space consists of 4,136 square feet of commercial retail space on the first floor of the University-Student Union Building. Payment was based on the calculation of \$1.80 per square foot for occupied space, adjusted annually to coincide with the existing General Service Administration rate. UAS occupied the premises in August 2008. In June 2009, the Union agreed to reduce the space rental to \$2,000 per month. Payments received for each of the years ended June 30, 2018 and 2017 were \$24,000, and future minimum payments to be received under the sublease agreement are \$28,749 for the year ended June 30, 2019.

	<b>June 30, 2018</b>	
	<b>Accounts Receivable</b>	<b>Accounts Payable</b>
ASI	\$ 56,103	\$ -
UAS	2,315	-
The University	19,252	30,018
The Foundation	1,676	-
	79,346	
Allowance for uncollectibles	-	
Total	<u>\$ 79,346</u>	<u>\$ 30,018</u>
	<b>June 30, 2017</b>	
	<b>Accounts Receivable</b>	<b>Accounts Payable</b>
ASI	\$ 39,302	\$ -
UAS	5,278	-
The University	12,045	88,767
The Foundation	1,747	-
	58,372	
Allowance for uncollectibles	(63)	
Total	<u>\$ 58,309</u>	<u>\$ 88,767</u>

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Notes to Financial Statements (Continued)  
June 30, 2018 and 2017

**NOTE 13 – SUBSEQUENT EVENTS**

The Union has evaluated subsequent events from the statement of financial position date through September 27, 2018, the date at which the financial statements were issued.

## **SUPPLEMENTARY INFORMATION**

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**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Schedule of Net Position  
June 30, 2018  
(for inclusion in the California State University)

Assets:

Current assets:		
Cash and cash equivalents	\$	489,704
Short-term investments		3,686,136
Accounts receivable, net		79,376
Capital lease receivable, current portion		-
Notes receivable, current portion		38,400
Pledges receivable, net		-
Prepaid expenses and other current assets		33,486
Total current assets		<u>4,327,102</u>
Noncurrent assets:		
Restricted cash and cash equivalents		-
Accounts receivable, net		-
Capital lease receivable, net of current portion		-
Notes receivable, net of current portion		106,000
Student loans receivable, net		-
Pledges receivable, net		-
Endowment investments		-
Other long-term investments		-
Capital assets, net		116,758
Other assets		455,094
Total noncurrent assets		<u>677,852</u>
Total assets		<u>5,004,954</u>
Deferred outflows of resources:		
Unamortized loss on debt refunding		-
Net pension liability		-
Net OPEB liability		-
Others		-
Total deferred outflows of resources		<u>-</u>

Liabilities:

Current liabilities:		
Accounts payable		175,578
Accrued salaries and benefits		52,393
Accrued compensated absences, current portion		117,119
Unearned revenues		153,376
Capital lease obligations, current portion		-
Long-term debt obligations, current portion		-
Claims liability for losses and loss adjustment expenses, current portion		-
Depository accounts		-
Other liabilities		-
Total current liabilities		<u>498,466</u>
Noncurrent liabilities:		
Accrued compensated absences, net of current portion		33,479
Unearned revenues		-
Grants refundable		-
Capital lease obligations, net of current portion		-
Long-term debt obligations, net of current portion		-
Claims liability for losses and loss adjustment expenses, net of current portion		-
Depository accounts		-
Net other postemployment benefits liability		-
Net pension liability		-
Other liabilities		-
Total noncurrent liabilities		<u>33,479</u>
Total liabilities		<u>531,945</u>
Deferred inflows of resources:		
Service concession arrangements		-
Net pension liability		-
Net OPEB liability		-
Unamortized gain on debt refunding		-
Nonexchange transactions		-
Others		-
Total deferred inflows of resources		<u>-</u>

Net Position:

Net investment in capital assets		116,758
Restricted for:		
Nonexpendable – endowments		-
Expendable:		
Scholarships and fellowships		-
Research		-
Loans		-
Capital projects		-
Debt service		-
Others		-
Unrestricted		<u>4,356,251</u>
Total net position	\$	<u>4,473,009</u>

See accompanying note to supplementary information.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Schedule of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2018  
(for inclusion in the California State University)

Revenues:

Operating revenues:	
Student tuition and fees, gross	\$ 5,205,078
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	235,344
Scholarship allowances (enter as negative)	-
Other operating revenues	384,831
Total operating revenues	<u>5,825,253</u>

Expenses:

Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	2,947,112
Institutional support	599,818
Operation and maintenance of plant	1,165,666
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	26,715
Total operating expenses	<u>4,739,311</u>
Operating income (loss)	<u>1,085,942</u>

Nonoperating revenues (expenses):

State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	77,425
Investment income (loss), net	38,050
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses) - excl. interagency transfers	-
Other nonoperating revenues (expenses) - interagency transfers	80,015
Net nonoperating revenues (expenses)	<u>195,490</u>

Income (loss) before other revenues (expenses)	1,281,432
--	-----------

State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	<u>1,281,432</u>

Net position:

Net position at beginning of year, as previously reported	3,191,577
Restatements	-
Net position at beginning of year, as restated	<u>3,191,577</u>
Net position at end of year	<u>\$ 4,473,009</u>

See accompanying note to supplementary information.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Other Information  
June 30, 2018  
(for inclusion in the California State University)

**1 Restricted cash and cash equivalents at June 30, 2018:**

Portion of restricted cash and cash equivalents related to endowments	\$ -
All other restricted cash and cash equivalents	-
Total restricted cash and cash equivalents	<u>\$ -</u>

**2.1 Composition of investments at June 30, 2018:**

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	3,686,136	-	3,686,136	-	-	-	3,686,136
Corporate bonds	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-
Money Market funds	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-
Municipal bonds	-	-	-	-	-	-	-
U.S. agency securities	-	-	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:							
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Other major investments:							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	<u>3,686,136</u>	<u>-</u>	<u>3,686,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,686,136</u>
Less endowment investments (enter as negative number)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u><u>3,686,136</u></u>	<u><u>-</u></u>	<u><u>3,686,136</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>3,686,136</u></u>

**2.2 Investments held by the University under contractual agreements at June 30, 2018:**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2018 :	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---

**2.3 Restricted current investments at June 30, 2018 related to:**

Amount	
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted current investments at June 30, 2018	<u><u>\$ -</u></u>

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Other Information  
June 30, 2018  
(for inclusion in the California State University)

**2.4 Restricted noncurrent investments at June 30, 2018 related to:**

Amount
\$ -
-
-
-
-
-
-
-
-
-
-
-
-
\$ -

**Total restricted noncurrent investments at June 30, 2018**

**2.5 Fair value hierarchy in investments at June 30, 2018:**

Fair Value Measurements Using					
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Total					
\$	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	3,686,136	-	3,686,136	-	-
Corporate bonds	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Mutual funds	-	-	-	-	-
Money Market funds	-	-	-	-	-
Repurchase agreements	-	-	-	-	-
Commercial paper	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Equity securities	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment types	-	-	-	-	-
Other external investment pools (excluding SWIFT)					
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Other major investments:					
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Total investments	3,686,136	-	3,686,136	-	-

See accompanying note to supplementary information.



**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Other Information  
June 30, 2018  
(for inclusion in the California State University)

**3.1 Composition of capital assets at June 30, 2018:**

	Balance June 30, 2017	Prior period Adjustments	Reclassifications	Balance June 30, 2017 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2018
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ -	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	351,429	-	-	351,429	43,141	-	-	394,570
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	351,429	-	-	351,429	43,141	-	-	394,570
Total capital assets	351,429	-	-	351,429	43,141	-	-	394,570
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(251,097)	-	-	(251,097)	(26,715)	-	-	(277,812)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(251,097)	-	-	(251,097)	(26,715)	-	-	(277,812)
Total capital assets, net	\$ 100,332	-	-	100,332	16,426	-	-	116,758

See accompanying note to supplementary information.

**UNIVERSITY-STUDENT UNION AT  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**  
Other Information  
June 30, 2018  
(for inclusion in the California State University)

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2018:**

Depreciation and amortization expense related to capital assets	\$ 26,715
Amortization expense related to other assets	<u>-</u>
Total depreciation and amortization	<u>\$ 26,715</u>

**4 Long-term liabilities activity schedule:**

	Balance June 30, 2017	Prior period adjustments	Reclassifications	Balance June 30, 2017 (restated)	Additions	Reductions	Balance June 30, 2018	Current portion	Long-term portion
Accrued compensated absences	\$ 145,228	-	-	145,228	122,489	(117,119)	150,598	117,119	33,479
Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-	-
Capital lease obligations:									
Gross balance	-	-	-	-	-	-	-	-	-
Unamortized premium / (discount) on capital lease obligations	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	-	-	-	-	-	-	-	-	-
Long-term debt obligations:									
Auxiliary revenue bonds	-	-	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-	-
Notes payable related to SRB	-	-	-	-	-	-	-	-	-
Others: (list by type)									
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 145,228	-	-	145,228	122,489	(117,119)	150,598	117,119	33,479

**5 Future minimum lease payments - Capital lease obligations:**

	Capital lease obligations related to SRB			All other capital lease obligations			Total capital lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2019	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
2064 - thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	-	-	-	-	-	-	-	-	-
Less amounts representing interest									-
Present value of future minimum lease payments									-
Unamortized net premium (discount)									-
Total capital lease obligations									-
Less: current portion									-
Capital lease obligation, net of current portion									\$ -

See accompanying note to supplementary information.

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**6 Long-term debt obligations schedule**

	Auxiliary revenue bonds			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2019	\$ -	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
2064 - thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments	-	-	-	-	-	-	-	-	-
Less amounts representing interest									-
Present value of future minimum payments									-
Unamortized net premium (discount)									-
Total long-term debt obligations									-
Less: current portion									-
<b>Long-term debt obligations, net of current portion</b>									<b>\$ -</b>

**7 Calculation of net position**

**7.1 Calculation of net position - Net investment in capital assets**

Capital assets, net of accumulated depreciation	\$ 116,758
Capital lease obligations, current portion	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, current portion	-
Long-term debt obligations, net of current portion	-
Portion of outstanding debt that is unspent at year-end (enter as positive number)	-
Other adjustments: (please list)	
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
<b>Net position - Net investment in capital assets</b>	<b>\$ 116,758</b>

**7.2 Calculation of net position - Restricted for nonexpendable - endowments**

Portion of restricted cash and cash equivalents related to endowments	\$ -
Endowment investments	-
Other adjustments: (please list)	
Restricted expendable endowments	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
<b>Net position - Restricted for nonexpendable - endowments</b>	<b>\$ -</b>

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**8 Transactions with related entities**

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 197,818
Payments to University for other than salaries of University personnel	487,774
Payments received from University for services, space, and programs	360,184
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	-
Accounts (payable to) University (enter as negative number)	(30,018)
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University (enter as positive number)	19,251
Other amounts receivable from University	-

**9 Other postemployment benefits (OPEB) liability**

Intentionally left blank - not required/applicable eff FY17/18

**10 Pollution remediation liabilities under GASB Statement No. 49:**

<u>Description</u>	<u>Amount</u>
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total pollution remediation liabilities	\$ -
Less: current portion	-
Pollution remediation liabilities, net of current portion	-

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**11 The nature and amount of the prior period adjustment(s) recorded to beginning net position**

	<u>Net Position Class</u>	<u>Amount</u>
		Dr. (Cr.)
Net position as of June 30, 2017, as previously reported		\$ 3,191,577
Prior period adjustments:		
1 (list description of each adjustment)		-
2 (list description of each adjustment)		-
3 (list description of each adjustment)		-
4 (list description of each adjustment)		-
5 (list description of each adjustment)		-
6 (list description of each adjustment)		-
7 (list description of each adjustment)		-
8 (list description of each adjustment)		-
9 (list description of each adjustment)		-
10 (list description of each adjustment)		-
Net position as of June 30, 2017, as restated		<u>\$ 3,191,577</u>

**Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:**

	<u>Debit</u>	<u>Credit</u>
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ -	-
Net position class: _____		
2 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
3 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
4 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
5 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
6 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
7 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
8 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
9 (breakdown of adjusting journal entry)	-	-
Net position class: _____		
10 (breakdown of adjusting journal entry)	-	-

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**12 Natural Classifications of Operating Expenses**

	<b>Salaries</b>	<b>Benefits</b>	<b>Scholarships and fellowships</b>	<b>Supplies and other services</b>	<b>Depreciation and amortization</b>	<b>Total operating expenses</b>
Instruction	\$ -	-	-	-	-	-
Research	-	-	-	-	-	-
Public service	-	-	-	-	-	-
Academic support	-	-	-	-	-	-
Student services	1,301,431	307,134	-	1,338,547	-	2,947,112
Institutional support	499,552	(282,125)	-	382,391	-	599,818
Operation and maintenance of plant	807,643	261,343	-	96,680	-	1,165,666
Student grants and scholarships	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	26,715	26,715
Total	\$ 2,608,626	286,352	-	1,817,618	26,715	4,739,311

See accompanying note to supplementary information.

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**1. Basis of Presentation**

These schedules are prepared in accordance with the instructions listed in an Administrative Directive, dated June 24, 2003, *Financial Reporting Requirements for Auxiliary Organizations*, from the California State University Office of the Chancellor, and revision dated August 17, 2018. As a result, these schedules do not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States of America.